Company Registration Number: 07645701 (England & Wales)

MICHAELA COMMUNITY SCHOOLS TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

MICHAELA COMMUNITY SCHOOLS TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 10
Governance statement	11 - 13
Statement of regularity, propriety and compliance	14
Statement of trustees' responsibilities	15
Independent auditor's report on the financial statements	16 - 19
Independent reporting accountant's report on regularity	20 - 21
Statement of financial activities incorporating income and expenditure account	22
Balance sheet	23 - 24
Statement of cash flows	25
Notes to the financial statements	26 - 49

MICHAELA COMMUNITY SCHOOLS TRUST
(A company limited by guarantee)
REFERENCE AND ADMINISTRATIVE DETAILS

Members	S Brittan Z Philips D Mansfield A Ward
Trustees	C Amadi, Chair K Ashford K Birbalsingh S Brittan P Decarlucci M Drabu A Fasogbon M Godfrey D Hall L Nyoni S Ting R Williams
Company registered number	07645701
Company name	Michaela Community Schools Trust
Principal and registered office	North End Road Wembley Middlesex HA9 0UU
Senior management team	K Birbalsingh, Headmistress K Ashford, Deputy Head J Sibley, Deputy Head B Williams-Yale, Deputy Head C Burkitt, Director of Inclusion M Taylor, Director of Sixth Form
Independent auditor	Blick Rothenberg Audit LLP Chartered Accountants 16 Great Queen Street Covent Garden London WC2B 5AH
Bankers	Natwest Bank Plc 30 Tooting High Street London SW17 0RG
Solicitors	Elderflower Legal Chestnut House 23 Ryles Park Road Macclesfield SK11 8AH

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a trustees' report, a directors' report and strategic report under company law.

Overview of the year

The school has been developing steadily since it opened in September 2014. We are currently full with 600 pupils at KS3 and KS4, 120 in each year group, and we have a full body of staff. The Sixth Form is growing and has 121 pupils. The capacity for each year in the Sixth Form is 120, but it is unlikely we will meet that number for many years. Seven new teachers joined in September 2023, and a number of support staff have been added over the course of the year. Results in GCSE and A-level were exceptional. Over 50% of all GCSEs were Grade 9 and nearly 1 in 6 pupils achieved straight 9s. At A-level 30% of results were Grade A*. Our Progress 8 score was 2.55, which was the highest in the country, a spot we have held three years in a row. We were also top for disadvantaged pupils in English and Maths.

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity. The charitable company's Articles of Association (dated 29 July 2021) is the primary governing document of the academy trust. The trustees of Michaela Community Schools Trust are also the directors of the charitable company for the purpose of company law.

Details of the trustees who served during the year are included in the Reference and administrative details on page 1.

b. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Structure, governance and management (continued)

c. Method of recruitment and appointment or election of trustees

The management of the academy is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

The board of governors shall comprise the trustees (who are also directors of the charity for the purposes of the Companies Act) together with additional ex-officio governors.

The number of governors shall be not less than three but shall not be subject to any maximum.

The board of governors shall be comprised of:

- Those appointed by the members
- Those appointed by existing governors
- Staff governors, provided that the total number of staff governors (including the Head Teacher) does not exceed one third of the total number of governors
- Parent governors, who are appointed through an election process, acting as a voice for the parents
- The Head Teacher

The term of office shall be four years, excepting the Head Teacher.

d. Policies adopted for the induction and training of trustees

The governors review the skills of the board regularly to ensure that the governing body has the necessary skills to contribute fully to the school's development. Where particular skills are missing they will seek to fill the gap through the knowledge and contacts made by existing governors and through approaches to the local community.

Whilst the training and induction of new governors will depend upon their existing experience, all new governors will have the opportunity to visit the school and meet with the Head Teacher and Chair of Governors. All governors undertake regular Safeguarding Training.

e. Organisational structure

The board of governors shall hold at least three meetings in every school year. Strategic decisions are taken by the board and day to day management is delegated to the Head Teacher and the senior leadership team.

f. Arrangements for setting pay and remuneration of key management personnel

All staff are paid in accordance with national pay scales and School Teachers' Pay & Conditions, as published by the Department for Education.

g. Trade union facility time

There is no union representation in the school. The school has made arrangements with an external provider, which ensures all staff are afforded employment representation and protection that would normally be provided by a union.

Structure, governance and management (continued)

h. Trustees' indemnities

The trustees shall be indemnified for any liabilities arising out of the affairs of the academy. The trust has £10,000,000 trustees' cover provided by the Department for Education's risk protection arrangement (RPA).

Objectives and activities

a. Objects and aims

The academy trust's objects are to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

b. Objectives, strategies and activities

The main objectives of the trust during the year ended 31 August 2024 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the school by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements; and
- to conduct the school's business in accordance with the highest standards of integrity, probity and openness.

c. Public benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Details of how the academy has fulfilled its public benefit requirements are detailed below.

Strategic report

Achievements and performance

a. Key performance indicators

The academy trust established a financial budget at the start of the year and the board has monitored performance against that budget during the period. The trustees consider that the following are key performance indicators for the academy trust moving forward. These are measured annually with comparisons made year on year:

- Progress 8 score
- Results in Maths and English at Year 11
- Staff pay as % of GAG/DfE/LA funding
- Pupil to teacher ratio
- Median teacher cost alongside mean teacher cost
- Admin/clerical staff costs as % of teaching staff costs
- Total curriculum costs as % of total expenditure

Strategic report (continued)

Achievements and performance (continued)

- Rate of change for total staff costs
- Rate of change for total expenditure

The board has a high expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future.

Performance against these measures for the last three academic years was:

Strategic report (continued)

Achievements and performance (continued)

Description	2021-2022	2022-2023	2023-2024
Staff pay as % of GAG/DfE/LA funding	87%	79%	84%
Pupil to teacher ratio: Years 7 to 11 Sixth Form	 13.4:1 6.6:1	 13.2:1 9.1:1	 14.5:1 10.1:1
Median teacher salary v mean teacher salary (to see whether larger salaries are skewing the average up) Teachers only (median/mean) Teachers and SLT (median/mean)	 £39,492/£41,808 £39,492/£44,925	 £45,756/£45,791 £45,756/£49,359	 £44,615/£48,775 £50,222/£53,436
Leadership Staff costs as % of all staff costs Leadership costs as % of overall teaching staff costs	16% 20%	16% 20%	17% 21%
Admin staff costs as % of teaching staff costs All support staff costs as % of teaching staff costs	15% 22%	13% 20%	14% 21%
Total curriculum costs as % of total expenditure	4%	5%	5%
Curriculum costs v premises costs	4% v 7%	5% v 7%	5% v 8%
Progress 8 score overall	2.27	2.37	2.55
Progress 8 score English	2.17	2.17	2.46
Progress 8 score Maths	2.42	2.83	2.49
Results in Maths at Year 11 7+ 8+ 9+		 76% 70% 48%	 83% 72% 51%
Results in English Language at Year 11 7+ 8+ 9+		 43% 23% 7%	 84% 56% 28%
Results in English Literature at Year 11 7+ 8+ 9+		 72% 49% 21%	 84% 71% 46%

Strategic report (continued)

Achievements and performance (continued)

b. Review of activities

Public exam outcomes in 2024

Results in GCSE and A-level were exceptional. Over 50% of all GCSEs were Grade 9, this compares to a national average of approximately 3% to 5%. Nearly 1 in 6 pupils achieved straight 9s. At A-level 30% of results were Grade A*. Our Progress 8 score was 2.55. This was the highest in country, a spot we have held three years in a row. We were also top for disadvantaged pupils in English and Maths.

Pupil Premium Spending and Impact 2023/2024

Approximate Number of pupils eligible for Pupil Premium funding: 190
Amount allocated per pupil: £1,050
Total allocation for 2023/24 academic year: £199,500

How are we spending the Pupil Premium?

We draw on research evidence (such as the Sutton Trust toolkit) and evidence from our own experience to allocate funding to activities that are most likely to maximize achievement. We evaluated spending in previous years and have decided to continue and increase the interventions that had the biggest impact on pupil progress. We never confuse eligibility for the Pupil Premium with low attainment, and focus on supporting our disadvantaged pupils to achieve the highest levels of progress. We intensify support in year 7 so that pupils begin year 8 at a level in line with - or exceeding - national expectations, enabling them to access the curriculum.

Purchase	Total cost	Impact measure	July 2024 impact on pupils eligible for Pupil Premium funding	Comparison with non-Pupil Premium pupils
Online English Resource- Century Tech	£3,500	% PP 4+ English	96%	98%
Online Maths Resource- Sparx Maths	£1,200	% PP 4+ maths	96%	99%
Online French Resource- This is Language	£800	% PP 4+ EBacc	96%	94%
Accelerated Reader Programme	£3,800	% PP 4+ English	96%	98%
Revision Guides - various	£2,000	% PP 4+ overall	96%	98%
Phonics Training- Ruth Miskin	£3,300	% PP 4+ English	96%	98%
Phonics Resources- Fresh Start OUP	£3,500	% PP 4+ English	96%	98%
Class Reader Programme	£1,000	% PP 4+ English	96%	98%

Strategic report (continued)

Achievements and performance (continued)

Reading Club books	£1,000	% PP 4+ English	96%	98%
Books for able readers	£2,300	% PP 7+ English	77%	79%
Instrumental Music Lessons Subsidies	£3,300	% Music Participation	6%	7%
Support Staff and Additional Teaching Staff	£204,025	% PP 4+ overall	96%	98%
Total spend	£229,425			

c. Strong monitoring and intervention for underachieving pupils

Using internal assessment data and weekly quiz data, we gain frequent, accurate insights into every pupil's progress and attainment. This enables teachers to differentiate appropriately and support those struggling to catch up with their peers, ensuring that no child is left behind.

To support these pupils, the school leadership team and governors ensure that:

- All teachers know which pupils are struggling, and how to support them;
- Additional intervention classes support greater progress;
- Homework club supports pupils to complete all work with adult supervision;
- Teachers use probing questions to support pupils of all needs;
- Teachers use weekly quiz data to drive teaching and learning;
- Form tutors and Heads of Years check in on progress and provide appropriate pastoral support.

d. Tracking underachieving pupils

Senior leaders and all teachers are aware of the pupils who are falling behind. Weekly quiz scores are recorded on simple spreadsheets for high visibility and clarity. Tutors and Heads of Year then target individuals, supporting them to complete homework, revise more effectively and improve attainment.

The trustees are really pleased with the progress that the school is making and look forward to future developments with the Sixth Form and progress on to university.

e. Fundraising activities/Income generation

Michaela raises most of its voluntary income from individuals and companies. We do not employ third party professional fundraisers or commercial organisations to fundraise on our behalf. The day to day management of all income generation is delegated to the senior leadership team, who are accountable to the trustees. We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times; as we do not approach individuals for funds we have not specified this to fundraising activities nor do we consider it necessary to design specific procedures to monitor such activities.

Strategic report (continued)

Financial review

a. Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The policy of the trustees is to establish and maintain a level of reserves that will be adequate to provide a stable basis for the continuing operation of the trust whilst ensuring that excessive funds are not accumulated.

At the end of the financial year the school had unrestricted reserves of £453,408 (2023: £228,786) and restricted general reserves of £1,324,128 (2023: £1,311,103). The trustees wish to maintain a level of reserves which ensures a sufficient cushion to meet potential shortfalls in income, to enhance the school building and to provide a high quality sixth form.

c. Principal risks and uncertainties

The Board has considered the risks faced by the trust throughout its normal operational business. It has sought to address the risks faced by the trust by establishing appropriate governance and management arrangements, including the appointment of senior staff and other managers, and establishing robust operational policies. The Board considers that these arrangements have been effective throughout the period being reported.

At the time of reporting, the trust's identified key risks are:

- School is unable to set a balanced budget and in-year deficits significantly utilise cash reserves
- An uncontrollable natural event occurs eg. fire, flood
- An uncontrollable economic event occurs eg. energy crisis, recession
- Competition from local grammar schools for high quality candidates for the sixth results in low numbers
- Difficulty in recruiting high calibre staff in shortage subjects
- Difficulty in recruiting support staff

Mitigating actions, both current and planned, have been identified to address these risks. This is also true of all other risks that have been formally identified which have a lower level of impact and/or likelihood.

d. Risk management

The trustees have assessed the major risks to which the school is exposed. The trustees have implemented a number of systems to assess risks that the school faces. They have introduced operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate Insurance cover.

Plans for future periods

The main focus for the school continues to be recruiting the best possible staff for the future, particularly in shortage subjects.

Our strict stance and expectation of parents, pupils and families will remain the same.

Disclosure of information to auditor

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

The auditor, Blick Rothenberg Audit LLP, has indicated his willingness to continue in office. The designated trustees will propose a motion reappointing the auditor at a meeting of the trustees.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 18/12/2024 and signed on its behalf by:

C Amadi
Chair of Trustees

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Michaela Community Schools Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to the Head Teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Michaela Community Schools Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the trustees' report and in the statement of trustees' responsibilities. The board of trustees has formally met 3 times during the year.

Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
C Amadi, Chair	3	3
K Ashford	3	3
K Birbalsingh	3	3
S Brittan	0	3
P Decarlucci	1	3
M Drabu	3	3
A Fasogbon	0	3
I Fernandez	0	2
M Godfrey	2	3
D Hall	3	3
L Nyoni	2	3
S Ting	2	3
R Williams	2	3

The trust continues to monitor the skills needed to undertake its activities.

Conflicts of interest are managed by maintaining an up to date and complete register of interests, and by requiring governors to declare any conflict of interest in any agenda item at each meeting.

Finance Governors (M Drabu, C Amadi and L Nyoni) have been appointed to ensure sound management of the school's finances and to advise the Audit Committee which meets annually to receive the Audit Report from the appointed auditors. In addition, the Finance Governors have the following remit from the Full Governing Body:

- Review annual budget and recommend to FGB for approval
- Review monthly management accounts and highlight any concerns
- Review Finance Policies and recommend to FGB for approval
- Meet annually with the auditors to receive the statutory accounts and recommend to FGB for approval
- Prepare SRMSAT for review and approval by FGB

Safeguarding nominated governor: S. Ting

The board of trustees is satisfied that it has provided a good balance of challenge and support to the senior leadership and management of the school over the year.

Governance (continued)

The reports provided by the management on pupil performance and financial performance give an accurate picture of the academy and enable trustees to fulfil their statutory role.

The board of trustees meets fewer than six times a year, but the academy trust maintains effective oversight of funds through the following actions:

- Management Accounts are sent to the Headteacher, Chair of Governors and Finance Governors each month; and
- A full set of Finance Reports including TB, current budget position, cash flow report and Report from the Finance Manager, are sent to all governors six times a year.

Review of value for money

As accounting officer, the Head Teacher has responsibility for ensuring that the Academy delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes, achieved in return for the taxpayer resources received.

The accounting officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy has delivered improved value for money during the year by:

- Detailed tracking of pupils to ensure that Pupil Premium funding has maximum impact
- Robust performance management of staff
- Implementation of robust Procurement Policy
- KPIs to track proportion of spending on staffing, curriculum and premises

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Michaela Community Schools Trust for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees through ongoing monitoring of board reports at board meetings. A formal Risk Register is in place.

The risk and control framework

The Academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

The risk and control framework (continued)

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the Trust of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The board of trustees has decided to employ Juniper Education as internal auditor.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the Academy's financial systems. In particular, the checks carried out in the current period included review of payroll, review of bank reconciliations and overall review of the control environment.

On a termly basis, the internal auditor reports to the board of trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Three reviews took place during the year 2023/24. Additional reviews of controls were undertaken at the time of the year end audit visit by Blick Rothenberg. The recommendations from these reviews are being implemented.

Review of effectiveness

As accounting officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditor;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit and risk committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Conclusion

Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the board of trustees and signed on their behalf by:

C Amadi
Chair of Trustees
Date: 18/12/2024

K Birbalsingh
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Michaela Community Schools Trust, I have considered my responsibility to notify the Academy board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

I confirm that I and the Academy board of trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academy Trust Handbook 2023.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.

K. Birbalsingh
Accounting Officer
Date: 18/12/2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2024

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees and signed on its behalf by:

C Amadi
Chair
Date: 18/12/2024

Opinion

We have audited the financial statements of Michaela Community Schools Trust (the 'academy') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, the trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the school through discussions with trustees and other management, and from our knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the school, including the Companies Act 2006, The Charities Act 2011, and the Academies Accounts directions issued by the ESFA, data protection, safeguarding, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including Ofsted and the ESFA.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Blick Rothenberg Audit LLP

Mark Hart FCA CTA (senior statutory auditor)
for and on behalf of
Blick Rothenberg Audit LLP
Chartered Accountants
Statutory Auditor
16 Great Queen Street
Covent Garden
London
WC2B 5AH

Date: 20 December 2024

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MICHAELA COMMUNITY SCHOOLS TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 11 November 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Michaela Community Schools Trust during the year 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Michaela Community Schools Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Michaela Community Schools Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Michaela Community Schools Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Michaela Community Schools Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Michaela Community Schools Trust's funding agreement with the Secretary of State for Education dated 1 September 2019 and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

The work undertaken to draw our conclusion includes:

- analytical review of the income and expenditure to ensure it is in line with expectations given the changes in pupil numbers;
- review and substantive testing of expenditure accounts to ensure there are no items out of line with the expected activities of the Academy; and
- ensure that the ESFA income has been correctly restricted and used only for the purposes included in the restriction.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MICHAELA COMMUNITY SCHOOLS TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Blick Rothenberg Audit LLP

Mark Hart
Blick Rothenberg Audit LLP
Chartered Accountants
Statutory Auditor

16 Great Queen Street
Covent Garden
London
WC2B 5AH

Date: 20 December 2024

MICHAELA COMMUNITY SCHOOLS TRUST

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations and capital grants	2	**95,217**	**7,500**	**-**	**102,717**	128,133
Other trading activities	4	**53,817**	**16,291**	**-**	**70,108**	98,558
Investments	5	**47,809**	**-**	**-**	**47,809**	24,734
Charitable activities		**-**	**6,044,627**	**-**	**6,044,627**	5,816,364
Other income	6	**183,961**	**-**	**-**	**183,961**	78,440
Total income		**380,804**	**6,068,418**	**-**	**6,449,222**	6,146,229
Expenditure on:						
Raising funds		**156,182**	**-**	**-**	**156,182**	158,042
Charitable activities		**-**	**6,024,393**	**297,721**	**6,322,114**	6,213,168
Total expenditure	7,8	**156,182**	**6,024,393**	**297,721**	**6,478,296**	6,371,210
Net movement in funds before other recognised gains/(losses)		**224,622**	**44,025**	**(297,721)**	**(29,074)**	(224,981)
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	23	**-**	**(31,000)**	**-**	**(31,000)**	56,000
Net movement in funds		**224,622**	**13,025**	**(297,721)**	**(60,074)**	(168,981)
Reconciliation of funds:						
Total funds brought forward		**228,786**	**1,311,103**	**14,453,622**	**15,993,511**	16,162,492
Net movement in funds		**224,622**	**13,025**	**(297,721)**	**(60,074)**	(168,981)
Total funds carried forward		**453,408**	**1,324,128**	**14,155,901**	**15,933,437**	15,993,511

The Statement of financial activities includes all gains and losses recognised in the year.

MICHAELA COMMUNITY SCHOOLS TRUST

(A company limited by guarantee)

BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	13		**14,252,175**		14,453,622
			14,252,175		14,453,622
Current assets					
Debtors	14	**203,629**		146,289	
Cash at bank and in hand		**1,709,238**		1,855,470	
		1,912,867		2,001,759	
Creditors: amounts falling due within one year	15	**(231,605)**		(321,870)	
Net current assets			**1,681,262**		1,679,889
Total assets less current liabilities			**15,933,437**		16,133,511
Provisions for liabilities	16		**-**		(140,000)
Net assets excluding pension asset			**15,933,437**		15,993,511
Total net assets			**15,933,437**		15,993,511

BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

	Note		2024 £		2023 £
Funds of the Academy					
Restricted funds:					
Fixed asset funds	17	**14,155,901**		14,453,622	
Restricted income funds	17	**1,324,128**		1,311,103	
Total restricted funds	17		**15,480,029**		15,764,725
Unrestricted income funds	17		**453,408**		228,786
Total funds			**15,933,437**		15,993,511

The financial statements on pages 22 to 49 were approved and authorised for issue by the trustees and are signed on their behalf, by:

C Amadi
Chair
Date: 18/12/24

The notes on pages 26 to 49 form part of these financial statements.

MICHAELA COMMUNITY SCHOOLS TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	**(49,958)**	282,471
Cash flows from investing activities	20	**(96,274)**	(255,909)
Change in cash and cash equivalents in the year		**(146,232)**	26,562
Cash and cash equivalents at the beginning of the year		**1,855,470**	1,828,908
Cash and cash equivalents at the end of the year	21, 22	**1,709,238**	1,855,470

The notes on pages 26 to 49 form part of these financial statements.

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Michaela Community School meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in Sterling (£).

1.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

1. Accounting policies (continued)

1.4 Income

All incoming resources are recognised when the Academy has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

  Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

  General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

  Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

- **Donations**

  Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

- **Other income**

  Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy has provided the goods or services.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset’s use.

- **Expenditure on raising funds**

  Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

- **Charitable activities**

  Charitable activities and governance costs are costs incurred of the academy's educational operations, including supports costs and costs relating to the governance of the academy apportioned to charitable acitivites.

1. Accounting policies (continued)

1.6 Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the costs of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2%	straight line
Property improvements	-	7%	straight line
Furniture and equipment	-	20%	straight line
Computer equipment	-	33%	straight line

1.7 Operating leases

Rentals under operating leases are charged to the statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less.

1.11 Liabilities

Liabilities and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1. Accounting policies (continued)

1.12 Provisions

Provisions are recognised when the Academy has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.14 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1. Accounting policies (continued)

1.15 Pensions

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme, and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.16 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. Income from donations and capital grants

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations	49,389	7,500	**56,889**
Similar incoming resources	45,828	-	**45,828**
	95,217	7,500	**102,717**

	Unrestricted funds 2023 £	Total funds 2023 £
Donations	70,300	70,300
Similar incoming resources	57,833	57,833
	128,133	128,133

3. Funding for the Academy's charitable activities

	Restricted funds 2024 £	Total funds 2024 £
Educational operations		
General fund	5,011,234	**5,011,234**
Other DfE/ESFA grants		
Pupil premium	297,520	**297,520**
Capital grants	16,459	**16,459**
Other	374,683	**374,683**
Other Government grants		
Local government grant	133,568	**133,568**
Catering income	211,163	**211,163**
	344,731	**344,731**
	6,044,627	**6,044,627**

3. Funding for the Academy's charitable activities (continued)

	Restricted funds 2023 £	Total funds 2023 £
Educational operations		
General Fund	4,834,782	4,834,782
Other DfE/ESFA grants		
Pupil premium	185,853	185,853
Capital grants	48,623	48,623
Other	310,541	310,541
Other Government grants		
Local government grant	211,869	211,869
Catering income	224,696	224,696
	436,565	436,565
	5,816,364	5,816,364

4. Income from other trading activities

	Unrestricted funds 2024 £	**Restricted funds 2024 £**	**Total funds 2024 £**
Other miscellaneous income	39,697	-	**39,697**
Uniform and stationery sales income	14,120	-	**14,120**
Music income	-	16,291	**16,291**
	53,817	16,291	**70,108**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Other miscellaneous income	68,395	-	68,395
Uniform and stationery sales income	12,275	-	12,275
Music income	-	17,888	17,888
	80,670	17,888	98,558

5. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Bank interest	47,809	**47,809**

	Unrestricted funds 2023 £	Total funds 2023 £
Bank interest	24,734	24,734

6. Other incoming resources

	Unrestricted funds 2024 £	Total funds 2024 £
Insurance claims	183,961	**183,961**

	Unrestricted funds 2023 £	Total funds 2023 £
Insurance claims	78,440	78,440

7. Expenditure

	Staff Costs 2024 £	Other 2024 £	Total 2024 £
Expenditure on fundraising trading activities:			
Direct costs	-	156,182	**156,182**
Educational operations:			
Direct costs	4,183,540	738,421	**4,921,961**
Allocated support costs	604,288	795,865	**1,400,153**
Total 2024	4,787,828	1,690,468	**6,478,296**

	Staff Costs 2023 £	Other 2023 £	Total 2023 £
Expenditure on fundraising trading activities:			
Direct costs	-	158,042	158,042
Educational operations:			
Direct costs	3,985,047	818,379	4,803,426
Allocated support costs	588,088	821,654	1,409,742
Total 2023	4,573,135	1,798,075	6,371,210

8. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Educational operations	4,921,961	1,400,153	**6,322,114**

8. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Educational operations	4,803,426	1,409,742	6,213,168

Analysis of direct costs

	Educational operations 2024 £	**Total funds 2024 £**
Staff costs	4,183,540	**4,183,540**
Depreciation	297,721	**297,721**
Educational supplies	138,410	**138,410**
Examination fees	81,823	**81,823**
Staff development	2,929	**2,929**
Other direct costs	136,797	**136,797**
Technology costs	38,060	**38,060**
Recruitment and support	42,681	**42,681**
Total 2024	4,921,961	**4,921,961**

	Educational operations 2023 £	Total funds 2023 £
Staff costs	4,012,027	4,012,027
Depreciation	357,344	357,344
Educational supplies	146,482	146,482
Examination fees	70,153	70,153
Staff development	8,048	8,048
Other direct costs	135,757	135,757
Technology costs	38,873	38,873
Recruitment and support	34,742	34,742
Total 2023	4,803,426	4,803,426

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2024 £	Total funds 2024 £
Staff costs	604,288	**604,288**
Maintenance of premises and equipment	208,238	**208,238**
Cleaning	152,325	**152,325**
Property costs	19,430	**19,430**
Energy costs	166,341	**166,341**
Insurance	24,967	**24,967**
Bank interest and charges	2,322	**2,322**
Other support costs	78,831	**78,831**
Legal and professionsal fees	77,432	**77,432**
Governance costs	65,979	**65,979**
	1,400,153	**1,400,153**

	Educational operations 2023 £	Total funds 2023 £
Staff costs	588,088	588,088
Maintenance of premises and equipment	80,669	80,669
Cleaning	122,433	122,433
Property costs	22,936	22,936
Energy costs	132,090	132,090
Insurance	23,646	23,646
Bank interest and charges	909	909
Other support costs	84,660	84,660
Legal and professional fees	65,991	65,991
Profit on disposal of fixed assets	2,625	2,625
Governance costs	285,695	285,695
	1,409,742	1,409,742

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2024 £	2023 £
Depreciation of tangible fixed assets - owned by the charity	**297,721**	357,344
Fees paid to auditor for:		
- audit of the financial statements	**21,631**	20,585

10. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2024 £	2023 £
Wages and salaries	**3,616,883**	3,464,412
Social security costs	**392,899**	380,901
Pension costs	**778,046**	754,802
	4,787,828	4,600,115

b. Staff numbers

The average number of persons employed by the Academy during the year was as follows:

	2024 No.	2023 No.
Teaching	**57**	58
Non teaching	**28**	26
	85	84

10. Staff (continued)

c. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
	No.	No.
In the band £60,001 - £70,000	**1**	1
In the band £70,001 - £80,000	**2**	-
In the band £80,001 - £90,000	**-**	3
In the band £90,001 - £100,000	**2**	-
In the band £130,001 - £140,000	**-**	1
In the band £140,001 - £150,000	**1**	-

d. Key management personnel

The key management personnel of the Academy comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £734,453 (2023 - £832,185).

11. Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of trustees' remuneration and other benefits was as follows:

		2024	2023
		£	£
K Ashford	Remuneration	**90,000 - 95,000**	85,000 - 90,000
	Pension contributions paid	**20,000 - 25,000**	20,000 - 25,000
K Birbalsingh	Remuneration	**140,000 - 145,000**	130,000 - 135,000
	Pension contributions paid	**35,000 - 40,000**	15,000 - 20,000

During the year ended 31 August 2024, no trustee expenses have been incurred (2023 - £NIL).

12. Trustees' and Officers' insurance

The Academy has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme membership.

13. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2023	**16,161,168**	**848,256**	**687,801**	**17,697,225**
Additions	**26,054**	**43,048**	**27,172**	**96,274**
Disposals	**-**	**(36,392)**	**(21,425)**	**(57,817)**
At 31 August 2024	**16,187,222**	**854,912**	**693,548**	**17,735,682**
Depreciation				
At 1 September 2023	**1,855,076**	**717,257**	**671,270**	**3,243,603**
Charge for the year	**196,542**	**79,589**	**21,590**	**297,721**
On disposals	**-**	**(36,392)**	**(21,425)**	**(57,817)**
At 31 August 2024	**2,051,618**	**760,454**	**671,435**	**3,483,507**
Net book value				
At 31 August 2024	**14,135,604**	**94,458**	**22,113**	**14,252,175**

Included in land and buildings is freehold land at valuation of £6,360,130 (2023: £6,360,130) which is not depreciated.

14. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	**9,360**	11,641
Other debtors	**62,592**	121,200
Prepayments and accrued income	**131,677**	13,448
	203,629	146,289

15. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	**41,976**	23,349
Other taxation and social security	**95,534**	98,507
Other creditors	**5,791**	94,623
Accruals and deferred income	**88,304**	105,391
	231,605	321,870

	2024 £	2023 £
Deferred income at 1 September 2023	**52,166**	48,068
Resources deferred during the year	**3,327**	52,166
Amounts released from previous periods	**(52,166)**	(48,068)
Deferred income at 31 August 2023	**3,327**	52,166

Deferred income at the reporting date represents government grant funding received during the year for spending in the academic year commencing 1 September 2024 as well as amounts received from parents ahead of the autumn term.

16. Provisions

	Provisions £
At 1 September 2023	**140,000**
Amounts reversed	**(140,000)**
	-

The provision was management's best estimate of the future liability for expected legal costs relating to claims initiated in the year ended 31 August 2023. The claim has been settled in the year ended 31 August 2024 and as such the provision has been released.

17. Statement of funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds					
General Funds - all funds	**228,786**	**380,804**	**(156,182)**	**-**	**453,408**
Restricted general funds					
Restricted Funds - all funds	**1,311,103**	**5,900,418**	**(5,887,393)**	**-**	**1,324,128**
Pension reserve	**-**	**168,000**	**(137,000)**	**(31,000)**	**-**
	1,311,103	**6,068,418**	**(6,024,393)**	**(31,000)**	**1,324,128**
Restricted fixed asset funds					
Fixed asset fund	**14,453,622**	**-**	**(297,721)**	**-**	**14,155,901**
Total Restricted funds	**15,764,725**	**6,068,418**	**(6,322,114)**	**(31,000)**	**15,480,029**
Total funds	**15,993,511**	**6,449,222**	**(6,478,296)**	**(31,000)**	**15,933,437**

The specific purposes for which the funds are to be applied are as follows:

Restricted funds represent revenue grants received from the ESFA for the running of the academy during the year. The balance represents the surplus GAG carried forward.

The Capital Grant represents funds provided by the ESFA for the purchase and fit out of the academy building.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2024.

17. Statement of funds (continued)

Comparative information in respect of the preceding year is as follows:

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds - all funds	74,851	311,977	(158,042)	-	-	228,786
Restricted general funds						
Restricted Funds - all funds	1,562,584	5,723,900	(5,751,824)	(223,557)	-	1,311,103
Pension reserve	(30,000)	78,000	(104,000)	-	56,000	-
	1,532,584	5,801,900	(5,855,824)	(223,557)	56,000	1,311,103
Restricted fixed asset funds						
Fixed asset fund	14,555,057	32,352	(357,344)	223,557	-	14,453,622
Total Restricted funds	16,087,641	5,834,252	(6,213,168)	-	56,000	15,764,725
Total funds	16,162,492	6,146,229	(6,371,210)	-	56,000	15,993,511

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	96,274	14,155,901	**14,252,175**
Current assets	453,408	1,459,459	-	**1,912,867**
Creditors due within one year	-	(231,605)	-	**(231,605)**
Total	453,408	1,324,128	14,155,901	**15,933,437**

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	14,453,622	14,453,622
Current assets	228,786	1,772,973	-	2,001,759
Creditors due within one year	-	(321,870)	-	(321,870)
Provisions for liabilities and charges	-	(140,000)	-	(140,000)
Total	228,786	1,311,103	14,453,622	15,993,511

19. Reconciliation of net expenditure to net cash flow from operating activities

	2024 £	2023 £
Net expenditure for the period (as per statement of financial activities)	**(29,074)**	(224,981)
Adjustments for:		
Depreciation	**297,721**	357,344
Defined benefit pension scheme cost less contributions payable	**(31,000)**	26,000
Decrease in stocks	**-**	2,625
(Increase)/decrease in debtors	**(57,340)**	9,884
(Decrease) in creditors	**(90,265)**	(28,401)
(Decrease)/increase in provisions	**(140,000)**	140,000
Net cash (used in)/provided by operating activities	**(49,958)**	282,471

20. Cash flows from investing activities

	2024 £	2023 £
Purchase of tangible fixed assets	**(96,274)**	(255,909)
Net cash used in investing activities	**(96,274)**	(255,909)

21. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand and at bank	**1,709,238**	1,855,470
Total cash and cash equivalents	**1,709,238**	1,855,470

22. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	**1,855,470**	**(146,232)**	**1,709,238**
	1,855,470	**(146,232)**	**1,709,238**

23. Pension commitments

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Brent Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The result of this valuation will be implemented from 1 April 2024.The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the year amounted to £720,615 (2023 - £628,523).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the academy trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above, the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £124,000 (2023 - £111,000), of which employer's contributions totalled £89,000 (2023 - £78,000) and employees' contributions totalled £35,000 (2023 - £33,000). The agreed contribution rates for future years are 28.4% - 30.0% per cent for employers and 5.5% - 12.5% per cent for employees.

The LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

23. Pension commitments (continued)

Principal actuarial assumptions

	2024 %	2023 %
Rate of increase in salaries	**2.95**	3.25
Expected return on scheme assets at 31 August	**5**	5.2
Discount rate for scheme liabilities	**5**	5.2
Rate of increase for pensions in payment / inflation	**2.65**	2.95

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2024 Years	2023 Years
Retiring today		
Males	**21.7**	21.8
Females	**24.4**	24.5
Retiring in 20 years		
Males	**22.7**	22.8
Females	**25.7**	25.8

Sensitivity analysis

	2024 £000	2023 £000
Real discount rate - 0.1% decrease	**26,000**	22,000
Pension discount rate - 0.1% increase	**27,000**	23,000

Share of scheme assets

The Academy's share of the assets in the scheme was:

	At 31 August 2024 £	At 31 August 2023 £
Equities	**529,250**	466,890
Debt instruments	**123,250**	65,010
Property	**50,750**	41,370
Cash and other liquid assets	**21,750**	17,730
Total market value of assets	**725,000**	591,000

The actual return on scheme assets was £62,000 (2023 - £(44,000)).

23. Pension commitments (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2024 £	2023 £
Actuarial gains on defined benefit pension schemes	**31,000**	56,000

Changes in the present value of the defined benefit obligations were as follows:

	2024 £	2023 £
Opening defined benefit obligation	**591,000**	716,000
Current service cost	**69,000**	102,000
Interest cost	**33,000**	33,000
Employee contributions	**35,000**	33,000
Actuarial gains	**(2,000)**	(292,000)
Benefits paid	**(1,000)**	(1,000)
Closing defined benefit obligation	**725,000**	591,000

Changes in the fair value of the Academy's share of scheme assets were as follows:

	2024 £	2023 £
Opening fair value of scheme assets	**591,000**	686,000
Interest income	**44,000**	31,000
Actuarial losses	**(33,000)**	(236,000)
Employer contributions	**89,000**	78,000
Employee contributions	**35,000**	33,000
Benefits paid	**(1,000)**	(1,000)
Closing fair value of scheme assets	**725,000**	591,000

The Academy's share of the surplus on the LGPS is £287,000. Accounting standards only allow the surplus to be recognised if the Academy has control over the asset. Given that it is a multi-employer scheme the Trustees do not believe that the Academy has control over the surplus. Therefore no surplus has been recognised and the closing fair value of the scheme assets of £1,012,000 has been capped at £725,000.

24. Operating lease commitments

At 31 August 2024 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	£	£
Within 1 year	**27,107**	11,904
Between 1 and 5 years	**41,100**	8,620
	68,207	20,524

25. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

26. Related party transactions

Owing to the nature of the Academy and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

There were no related party transactions other than those disclosed in notes 10 and 11.

27. Controlling party

The board of trustees is the controlling party.